



REAL ESTATE COMMISSION
STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
P. O. Box 3469
Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

EMMALANI COURT - PHASE I

5250 Ka Haku
Princeville, Kauai, Hawaii

Registration No. 2611

Issued: December 18, 1992
Expires: January 18, 1994

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of December 17, 1992, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- ☐ **PRELIMINARY:**
(yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
- ☒ **FINAL:**
(white) The developer has legally created a condominium and has filed complete information with the Commission.
☐ No prior reports have been issued
☒ Supersedes all prior public reports
☐ Must be read together with _____
- ☐ **SUPPLEMENTARY:**
(pink) Updates information contained in the
☐ Prelim. Public Report dated _____
☐ Final Public Report dated _____
☐ Supp. Public Report dated _____
- And ☐ Supersedes all prior public reports
☐ Must be read together with _____
☐ This report reactivates the _____
public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

☐ Required ☒ Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

[] No prior reports have been issued by the Commission.

[X] Changes made are as follows:

THIS PUBLIC REPORT SUPERSEDES ALL PRIOR REPORTS AND DISCLOSES INFORMATION APPLICABLE TO THE EMMALANI COURT - PHASE 1 CONDOMINIUM PROJECT ("Project"). The Project shall contain twenty-two (22) units. The specifications for the twenty-two (22) units are set forth in Exhibit "A" attached hereto and Exhibit "B" of the Declaration of Condominium Property Regime ("Declaration").

Emmalani Court may contain a total of forty-two (42) units. The forty-two (42) units and supporting common and limited common elements will be constructed in two (2) phases identified as "Emmalani Court - Phase 1" and "Emmalani Court - Phase 2" and referred to herein, the Declaration and Bylaws of the Association as "Phase 1" and "Phase 2" respectively.

Developer has reserved the right to amend the Project by constructing and merging Phase 2 with Phase 1 at any time up to but not later than midnight of June 1, 2002. Phase 2 will be constructed on approximately 73,055 square feet of the total 4.666 acres covered by the condominium property regime established for the Project. Phase 2 is intended to consist of two (2) buildings containing twenty (20) units and one (1) building, identified as the "Manager's Building" and illustrated on the condominium map as adjacent to the swimming pool, containing one (1) unit as a multi-function room and office and one (1) unit as a resident manager's unit. Developer discloses that the Manager's Building shall be constructed if the necessary County of Kauai approvals are obtained and Developer, in its sole and absolute discretion, decides to proceed with construction. If Developer, in its sole and absolute discretion, decides not to construct the Manager's Building, Developer shall construct a structure to house the swimming pool pumps and Emmalani Court equipment.

Developer has also reserved the right to subdivide and remove the underlying land for Phase 2 from the condominium property regime. If Developer exercises its reserved right not to construct Phase 2, Phase 1 shall constitute the entire Project and the percentage common interest appurtenant to each unit shall be as set forth in Exhibit "A" attached hereto and Exhibit "B" of the Declaration.

Developer discloses that all or some of the guest parking stalls and unassigned parking stalls may subsequently be assigned by the Developer as "limited common elements" appurtenant to units in Phase 2. The assignment of said guest parking stalls and unassigned parking stalls to units in Phase 2 and the designation of guest parking stalls and unassigned parking stalls, if any, for the Project after merger shall be disclosed in the final public report for Phase 2 or any public report issued for the entire project.

Buyers shall not have any right to rescind a purchase or cancel a binding sales contract because of the exercise of these reserved rights or any public report for Phase 2 issued by the Real Estate Commission.

Buyers are advised to review Paragraphs 20 and 21 of the Declaration for a more detailed disclosure of Developer's reserved rights prior to entering into a binding sales contract for the purchase of a unit.

Final Public Report
Emmalani Court - Phase 1

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GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Condominium Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- ☒ Fee simple interest in an apartment and an undivided feehold interest in the common elements.
☐ Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
☐ Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

1. ☒ New Building(s) ☐ Conversion
☐ Both New Building(s) and Conversion
 2. ☒ Residential ☐ Commercial ☐ Ohana
☐ Mixed Residential and Commercial ☐ Agricultural
☐ Other _____
 3. ☐ High Rise (5 stories or more) ☒ Low Rise
 4. ☐ Single or ☒ Multiple Buildings

5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>4</u>	<u>1/1.75</u>	<u>952</u>	<u>138</u>
<u>B</u>	<u>8</u>	<u>2/2</u>	<u>1,192</u>	<u>108</u>
<u>C</u>	<u>8</u>	<u>2/2</u>	<u>1,456</u>	<u>135</u>
<u>D</u>	<u>2</u>	<u>3/2.5</u>	<u>1,726</u>	<u>386</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 22 (Please see disclosure on page 2)

**Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>22</u>
Guest Stalls	<u>15</u>
Unassigned Stalls	<u>22</u>
Extra Stalls Available for Purchase	_____
Other: <u>Handicap</u>	<u>2</u>
Total Parking Stalls	<u>61</u>

7. Recreational amenities:

Swimming Pool (please see disclosure on page 2). A Multi-function room may be constructed and included as part of Phase 2.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Princeville Corporation
Name
P. O. Box 3040
Business Address
Princeville, Hawaii 96722

Phone: 826-3040
(Business)

Names of officers or general partners of developers who are corporations or partnerships:

Teney K. Takahashi - President
Takashi Nishii, Burt K. Tsuchiya
and Robert G. McFeeter - Vice President
William K. Malish - Treasurer
Curtis H. Shiramizu - Secretary

Real Estate
Broker: Princeville Realty
Name
P.O. Box 3040
Business Address
Princeville, Hawaii 96722

Phone: 826-3400
(Business)

Escrow: Title Guaranty Escrow Services, Inc.
Name
4414 Kukui Grove, Suite 104
Business Address
Lihue, Hawaii 96766

Phone: 245-3381
(Business)

General
Contractor: Bay Pacific, Inc.
Name
3501 Rice Street, Suite 207
Business Address
Lihue, Hawaii 96766

Phone: 246-9477
(Business)

Condominium
Managing
Agent: Certified Management
Name
P.O. Box 1325
Business Address
Lihue, Hawaii 96766

Phone: 245-3286
(Business)

Attorney for
Developer: Watanabe, Ing & Kawashima
Name
745 Fort Street, 5th Floor
Business Address
Honolulu, Hawaii 96813

Phone: 544-8300
(Business)

Attn: Lyle Y. Harada/Donna Y. Kanemaru

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

☐ Proposed
☒ Recorded - Bureau of Conveyances - Document No. 92-166784
Book _____ Page _____
☐ Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

☐ Proposed
☒ Recorded - Bureau of Conveyance Condo Map No. 1752
☐ Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

☐ Proposed
☒ Recorded - Bureau of Conveyances - Document No. 92-166785
Book _____ Page _____
☐ Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

☐ Proposed ☒ Adopted ☐ Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>By Board Approval</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:**

☐ No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

☒ Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules

The Developer may amend the Declaration, Bylaws, and Condominium Map (a) at any time prior to recording the first condominium deed or other conveyance to a party not a signatory to the Declaration; (b) to make any amendments required by law, by the Real Estate Commission of the State of Hawaii, by any title insurer issuing title insurance on the Project, or by any governmental agency of any other jurisdiction; (c) to file the "as built" verified statement required by Section 514A-12, HRS; (d) to effectuate the merger of Phase 2 of the Project as provided in Paragraph 20 of the Declaration of Condominium Property Regime; and (e) to complete the subdivision and removal of land for the proposed Phase 2 of the Project as provided in Paragraph 21 of the Declaration of Condominium Property Regime.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- ☒ **Fee Simple:** Individual apartments and the common elements which includes the underlying land will be in fee simple.
- ☐ **Leasehold or Subleasehold:** Individual apartments and the common elements which includes the underlying land will be leasehold.

The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Annually ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per
☐ Month ☐ Year.

- ☐ Individual Apartments in Fee Simple Common Interest in the Underlying Land in Leasehold or Subleasehold:

The leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners - tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Annually ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per
☐ Month ☐ Year.

- [] Other:

For Subleaseholds:

- ☐ Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is
☐ Cancelled ☐ Foreclosed
- ☐ As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

B. Underlying Land:

Address: 5250 Ka Haku Tax Map Key: (4)5-4-12:10
Princeville, Hawaii 96722 (TMK)

☐ Address ☐ TMK is expected to change because _____

Land Area: 4.666 ☐ square feet ☒ acre(s) Zoning: R-10

Fee Owner: Princeville Corporation
Name

P.O. Box 3040
Address

Princeville, Hawaii 96722

Sublessor: _____
Name

Address

C Buildings and Other Improvements:

1. ☒ New Building(s) ☐ Conversion of Existing Building(s)
☐ Both New Building(s) and Conversion

2. Buildings: 3 Floors Per Building 2

☒ Exhibit B contains further explanations.

3. Principal Construction Material:

☒ Concrete ☐ Hollow Tile ☒ Wood

☐ Other _____

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Commercial	_____	<u>N/A</u>	<input type="checkbox"/> Industrial	_____	<u>N/A</u>
<input checked="" type="checkbox"/> Residential	<u>22</u>	<u>Yes</u>	<input type="checkbox"/> Agricultural	_____	<u>N/A</u>
<input type="checkbox"/> Timeshare/Hotel	_____	<u>N/A</u>	<input type="checkbox"/> Recreational	_____	<u>N/A</u>
<input checked="" type="checkbox"/> Other: <u>Transient vacation rental and/or condominium</u>					
<u>hotel operations are permitted.</u>					
Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium project include but are not limited to:

- ☒ Pets: Small dog or cat or other generally recognized household
pets are permitted.
- ☐ Number of Occupants: _____
- ☐ Other: _____
- ☐ There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 7 Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>4</u>	<u>1/1.75</u>	<u>952</u>	<u>138</u>
<u>B</u>	<u>8</u>	<u>2/2</u>	<u>1,192</u>	<u>108</u>
<u>C</u>	<u>8</u>	<u>2/2</u>	<u>1,456</u>	<u>135</u>
<u>D</u>	<u>2</u>	<u>3/2.5</u>	<u>1,726</u>	<u>386</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 22 (Please see disclosure on Page 2)

**Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

See Exhibit "C"

Permitted Alterations to Apartments:

See Exhibit "D"

7. Parking Stalls:

Total Parking Stalls: 61

	Regular		Compact		Tandem		TOTAL
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	<u>22</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>22</u>
Guest	<u>8</u>	<u>7</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>15</u>
Unassigned	<u>6</u>	<u> </u>	<u> </u>	<u>16</u>	<u> </u>	<u> </u>	<u>24</u>
Extra Available for Purchase	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other:	<u> </u>	<u>2</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>2</u>
Total Covered & Open	<u>45</u>	<u> </u>	<u>16</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Each apartment will have the exclusive use of at least one (1) parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

☐ Commercial parking garage permitted in condominium project.

☒ Exhibit A contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

☐ There are no recreational or common facilities.

☒ Swimming pool

☐ Storage Area

☐ Recreation Area

☐ Laundry Area

☐ Tennis Court

☐ Trash Chute

☐ Other: _____

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

N/A

b. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

N/A

10. Conformance to Present Zoning Code

a. ☒ No variances to zoning code have been granted.

☐ Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>Yes</u>	_____	_____
Structures	<u>Yes</u>	_____	_____
Lot	<u>Yes</u>	_____	_____

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

☒ Exhibit E describes the common elements.

☐ As follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which may use them are:

☒ described in Exhibit F

☐ as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

☒ Exhibit A describes the common interests for each apartment.

☐ As follows:

E. **Encumbrances Against Title:** An encumbrance is a claim against or a liability on the property.

Exhibit G describes the encumbrances against the title contained in the title report dated July 8, 1992 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

☒ There are no blanket liens affecting title to the individual apartments.

☐ There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

Type of Lien

**Effect on Buyer's Interest
If Developer Defaults**

F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

☒ not affiliated with the Developer.

☐ the Developer or the Developer's affiliate.

☐ self-managed by the Association of Apartment Owners.

☐ other _____

G. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be lienied and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit H & L contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

☐ Not applicable

☒ Electricity (common elements only) ☐ Television Cable

☐ Gas ☒ Water & Sewer

☒ Other Refuse collection

I. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

See Exhibit "I"

2. Appliances:

A description of warranties on the appliances to be installed in each condominium unit is presently unavailable because the purchase contracts have not been executed. The Developer will attempt to assign to buyers the unexpired term, if any, of any manufacturer's or dealer's warranties covering any fixture or appliance. By such assignment, DEVELOPER IS NOT ADOPTING ANY SUCH CONTRACTOR'S, MANUFACTURER'S OR DEALER'S WARRANTIES OR ACTING AS CO-WARRANTOR, BUT IS MERELY ATTEMPTING TO PASS THROUGH TO BUYER THEIR BENEFIT OF ANY SUCH WARRANTIES.

J. Status of Construction and Estimated Completion Date:

Phase 1 - Date of Commencement - April 1, 1992
Estimated Completion - February, 1993

K. Project Phases:

The developer ☒ has ☐ has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development:

The Project described herein is Phase 1 of a proposed two (2) phase project. Developer, in its sole and absolute discretion, may develop the proposed Phase 2 at any time up to but no later than June 1, 2002. The proposed Phase 2 will be developed on a portion of the 4.66 acres covered by this public report. Merger of Phase 2 shall be effective only upon the happening of all the conditions set forth in Paragraph 20 of the Declaration of Condominium Property Regime. Upon the effective merger of Phase 2, the Project shall be deemed one (1) condominium project as if the phases had been developed as one (1) single project. The owners of all condominium units of Phase 1 and Phase 2 shall be members of one (1) Association of Owners.

Developer has also reserved the right to subdivide and remove the land for the proposed Phase 2 from the Project and the condominium property regime established for the Project as set forth in Paragraph 21 of the Declaration of Condominium Property Regime.

Developer recommends that buyer review Paragraphs 20 and 21 of the Declaration of Condominium Property Regime.

L. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

☒ Notice to Owner Occupants

☒ Specimen Sales Contract

Exhibit J contains a summary of the pertinent provisions of the sales contract.

☒ Escrow Agreement dated March 6, 1992

Exhibit K contains a summary of the pertinent provisions of the escrow contract.

☐ Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Developer discloses the following information which relates to the Project:

(1) Golf Course Hazard. The Project is located adjacent to golf courses and such location may result in nuisances or hazards to persons and Property within the Project arising from the golf course operations including, but not limited to future expansions, reconfigurations or designs of all or portion of the golf courses, changes in operations, golf tournaments and other activities. Buyers and prospective buyers of the Project should be aware of the existence of such golf hazard potential and future owners should inform their respective lessees, tenants, invitees and/or other persons entering into the Project of the existence of such potential golf hazard.

(2) Princeville Resort. The Project is located within the Princeville Resort. Resort related activities such as, but not limited to, concerts, tournaments, benefits and other activities may result in nuisances or hazards to persons and property within the Project.

(3) Master Association. The Princeville at Hanalei Community Association was established by a Declaration of Restrictions, Covenants and Conditions ("DRCC") dated March 1, 1971. All owners, any other persons or entities having fee simple title to any unit, including contract purchasers, (a) shall be a member of the Princeville at Hanalei Community Association; annual dues for such membership currently ranges approximately between \$259.00 and \$501.00, depending on unit type and is subject to change, (b) shall be liable for his/her proportionate share of the general and special maintenance assessments and the assessments for capital contributions as provided for within said DRCC, and (c) including their lessees, tenants, and invitees, shall comply strictly with the provisions of the DRCC, as it may be amended from time to time.

(4) Ka Haku Entry. Each owner of the Project and their respective lessees, tenants, and invitees shall have a non-exclusive appurtenant easement for road purposes over, upon and through the Ka Haku Road entry. Each owner of the Project shall be obligated to pay a proportionate share of all reasonable expenses for the maintenance, operation, management, replacement, improvement, landscaping, security, real property taxes and insurance of that portion of the Ka Haku Road entry.

The above are summaries of disclosures contained in the Declaration of Condominium Property Regime. Buyers are advised to carefully review Paragraph 22 of the Declaration for a more detailed disclosure prior to entering into a binding sales contract for the purchase of a unit.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding on the prospective buyer. Sales made by the Developer may be binding on the Developer unless the Developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
 - a. Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report;
AND
 - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
 - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other Declaration of Restrictions, Covenants and Conditions

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is part of Registration No. 2611 filed with the Real Estate Commission on
March 30, 1992.

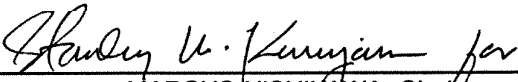
Reproduction of Report. When reproduced, this report must be on:

☐ yellow paper stock

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☐ pink paper stock

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary public Report is issued or unless the Commission issues an order extending the effective period for the report.



MARCUS NISHIKAWA, Chair
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Department of Finance, County of Kauai
Planning Department, County of Kauai
Federal Housing Administration

EXHIBIT "A"
EMMALANI COURT

UNIT SPECIFICATIONS - PHASE 1 ONLY (22 units)

Building No. 1 - Located along the Northern Boundary

Unit No.	Unit Type	Bed Room	Bath Room	Total No. of Rooms	Living Area (s.f.)	Lanal (s.f.)	Total (s.f.)	Common Interest	Parking Stall Nos.
110	D	3	2.5	7.5	1,726	386	2,112	6.6600	3
120	D	3	2.5	7.5	1,726	386	2,112	6.6600	5

Building No. 2 - Located along the Northern Boundary

211	C	2	2	6	1,456	135	1,591	5.0170	6
212	B	2	2	6	1,192	108	1,300	4.0994	22
213	A	1	1.75	4.75	952	138	1,090	3.4372	24
214	B	2	2	6	1,192	108	1,300	4.0994	26
215	C	2	2	6	1,456	135	1,591	5.0170	28
221	C	2	2	6	1,456	135	1,591	5.0170	21
222	B	2	2	6	1,192	108	1,300	4.0994	23
223	A	1	1.75	4.75	952	138	1,090	3.4372	25
224	B	2	2	6	1,192	108	1,300	4.0994	27
225	C	2	2	6	1,456	135	1,591	5.0170	29

*Total Rooms - includes bedrooms, bathrooms, separate living/dining room, and kitchen.

**Parking stalls for compact cars are indicated with a "c".

Building No. 3 - Located along the Northern Boundary

<u>Unit No.</u>	<u>Unit Type</u>	<u>Bed Room</u>	<u>Bath Room</u>	<u>Total No. of Rooms</u>	<u>Living Area (s.f.)</u>	<u>Lanal (s.f.)</u>	<u>Total (s.f.)</u>	<u>Common Interest</u>	<u>Parking Stall Nos.</u>
311	C	2	2	6	1,456	135	1,591	5.0170	8
312	B	2	2	6	1,192	108	1,300	4.0994	10
313	A	1	1.25	4.75	952	138	1,090	3.4372	12
314	B	2	2	6	1,192	108	1,300	4.0994	14
315	C	2	2	6	1,456	135	1,591	5.0170	16
321	C	2	2	6	1,456	135	1,591	5.0170	9
322	B	2	2	6	1,192	108	1,300	4.0994	11
323	A	1	1.25	4.75	952	138	1,090	3.4372	13
324	B	2	2	6	1,192	108	1,300	4.0994	15
325	C	2	2	6	1,456	135	1,591	5.0170	17

*Total Rooms - includes bedrooms, bathrooms, separate living/dining room, and kitchen.

**Parking stalls for compact cars are indicated with a "C".

Exhibit A
Final Public Report
Emmalani Court
4920n

EXHIBIT B

EMMALANI COURT

Description of Buildings

The Project will consist of a total of three (3) buildings and each building will have two (2) floors. The three (3) buildings will contain twenty-two (22) residential condominium units. All buildings will be constructed primarily of reinforced concrete, steel, glass, wood, plaster, tile and appropriate trim.

The residential buildings will contain the unit types disclosed and set forth in Exhibit A. No condominium unit or building will contain a basement.

EXHIBIT C

EMMALANI COURT

Boundaries of Each Condominium Unit

The respective condominium units shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls or partitions, the foundations, columns, girders, beams, floor slabs, supports, roofs, skylights and ceilings located within or at the perimeter of or surrounding such condominium unit, any pipes, wires, vents, shafts, ducts, conduits or other utility or service lines or enclosed spaces for wiring, pipes, air exhaust or air conditioning running through or otherwise located within such condominium unit which are utilized for or serve more than one condominium unit and any mechanical, electrical and air conditioning equipment originally installed and located within such condominium unit utilized for or serving more than one condominium unit, all of which are deemed common elements as hereinafter provided. Each condominium unit shall be deemed to include all of the walls and partitions which are not load-bearing and which are within its perimeter walls, the inner decorated or finished surfaces of all walls, floors, roofs and ceilings; all glass windows, window frames, louvers, shutters (if any), panels, doors and door frames along its perimeter; any mechanical, electrical and air conditioning equipment originally installed and located within such condominium unit utilized for or serving only such condominium unit; the lanai shown on the Condominium Map to the inner decorated or finished surfaces of the exterior perimeter walls of such lanai and to the exterior edge of the exterior railings of such lanai; and all of the fixtures and appliances originally installed therein, including the carpets, dishwasher, range/oven, microwave oven, garbage disposal, sinks and bathroom fixtures originally installed therein.

EXHIBIT D

EMMALANI COURT

Permitted Alterations to Condominium Unit

The owner of a condominium unit shall not, except as specifically permitted in the Declaration of Condominium Property Regime or Bylaws of the Association of Owners of Emmalani Court, make any structural alterations in or additions to the condominium unit or make any alterations or additions to the exterior of the condominium unit (including awnings, jalousies or screens) or to any other portion or portions of the common elements. Additions to or alterations of any condominium unit made within such condominium unit or within a limited common element appurtenant to and for the exclusive use of the condominium unit shall require the prior written approval of the Board of Directors and prior written consent of the owners of condominium units immediately adjacent to such condominium unit or limited common element. No work shall be done which would jeopardize the soundness or safety of the Project, reduce the value therefor, violate the uniform external appearance of the condominium unit, or impair any easement, without in every such case the consent of seventy-five percent (75%) of the owners, together with the consent of all owners whose condominium units or limited common elements appurtenant thereto are directly affected, the mortgagees of such condominium unit and the Declarant, if appropriate.

Except as otherwise expressly set forth and reserved in the Declaration of Condominium Property Regime or Bylaws, any additions or alterations to the exterior of condominium units and to their lanais and structures and landscaping in common elements shall be undertaken by the Association or any condominium unit owners only upon the review and approval by the appropriate agency of the County of Kauai after the written consent of the Association is obtained by the affirmative vote of not less than seventy-five percent (75%) of the condominium unit owners and accompanied by the written consent of holders of all liens affected thereby.

EXHIBIT E

EMMALANI COURT

Common Elements

One freehold estate is designated in all common elements of the Project which include all other portions of the Project other than the condominium units (except as herein specifically included) and all other common elements mentioned in the Act, which are actually included in the Project, including specifically but not limited to:

- (a) Said fee interest in land;
- (b) All structural components such as foundations, beams, supports, main walls, roofs, stairs, stairways, entrances, exits, floor slabs, unfinished perimeter party and load-bearing walls, awnings, corridors and walkways of said buildings;
- (c) All walkways and interior roadways located upon the Land;
- (d) All yards, grounds, landscaping, retaining walls, planters, the swimming pool, including all amenities therein as described hereinabove, storage rooms, all refuse facilities, maintenance office, and equipment room;
- (e) All ducts, electrical equipment, central water heating systems, wiring, pipes and other central and appurtenant transmission facilities and installations on, over, under and/or across the property which serve more than one condominium unit for services such as power, light, hot water, cold water, incineration, sewage, gas, telephone and television and radio signal distribution, if any;
- (f) Any apparatus and installation existing for common use such as tanks, pumps, motors, fans, compressors, ducts, vents and other installations and apparatus;
- (g) Deck areas and loading areas;

(h) A total of fifteen (15) parking stalls, consisting of eight (8) covered and seven (7) uncovered parking stalls, shall be designated for guest parking; provided, however, that all or a portion of said guest parking stalls may be subsequently assigned by the Developer as "limited common elements" appurtenant to designated condominium units in Phase 2 and such assignment and parking stalls designated for guest parking shall be disclosed in the Declaration of Condominium Property Regime for the entire Emmalani Court condominium project. No automobile shall park in any guest parking stall for a period of twelve (12) hours or more. All remaining parking stalls of Phase 1 shall be designated as "limited common elements" appurtenant to designated condominium units as described in more detail hereinbelow;

(i) Two (2) uncovered parking stalls will be designated for handicap parking. The Association will retain ownership of said handicap parking stalls and will adopt rules for the assignment and use of said handicap parking stalls;

(j) Any and all other apparatus and installation of common use and all other parts of the property necessary or convenient to its existence, maintenance, and safety, or normally in common use.

Exhibit E
Final Public Report
Emmalani Court
4920n

EXHIBIT F

EMMALANI COURT

Limited Common Elements

Certain parts of the common elements, herein called and designated "Limited Common Elements", are hereby set aside and reserved for the exclusive use of certain condominium units, and such condominium units shall have appurtenant thereto exclusive easements for use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) Each condominium unit will have exclusive use of at least one (1) parking stall as designated on the Condominium Map and designated in the appropriate Exhibits of the Declaration of Condominium Property Regime ("Declaration").

(b) Developer will offer air conditioning as an option which the owner may purchase. The compressor necessary for the operation of the air conditioning unit will be located outside of the condominium unit in the common elements and the cost to maintain, repair and replace the compressor will be the sole expense of the owner of the condominium unit to which the compressor is providing service to.

(c) Each condominium unit will have use of one (1) mail box which will be located adjacent to the front door of each condominium unit; provided, however, that if an office is included in Phase 2 of the Project, said mail box will be relocated to the office. Regardless of the location of the mail box, there is no mail delivery by the United States Postal Service to the Project. Post office boxes are available for rent at the owner's sole expense at the Princeville Contract Station and the Mail Service Center located at the Princeville Shopping Center.

(d) All other common elements of the project which are rationally related to less than all of said condominium units or buildings shall be limited to the use of such condominium units or buildings.

EXHIBIT G

EMMALANI COURT

Encumbrances Against Title

1. Real Property Taxes as may be due and owing. Refer to the Director of Finance, County of Kauai.

Tax Key: 5-4-012-010 (4) Area assessed: 4.666 acres
2. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance and the effect, if any, upon the area of the land described herein.
3. Declaration of Restrictions, Covenants and Conditions by Eagle County Development Corporation, dated March 1, 1971, recorded in Liber 7444 at Page 93, as amended.

By Declaration of Declarant dated May 16, 1985, recorded in Liber 18662 at Page 485, Princeville Development Corporation was declared and designated the Declarant under said Declaration.
4. Designation of Easement "S-1" (10 feet wide) for sanitary sewer purposes, as shown on File Plan No. 1252.
5. Grant in favor of Kauai County Public Improvement Corporation, dated March 16, 1972, recorded in Liber 8192 at Page 284; granting an easement over said Easement "S-1".
6. Reservation set forth in DEED dated February 1, 1980, but effective as of January 1, 1980, recorded in Liber 14600 at Page 217, to-wit:

"Reserving, however, unto the Grantor, its successors and assigns, the right to grant roadway easements over and across any and all roadway lots shown on File Plan Nos. 1179 and 1197, to the purchaser, purchasers, lessee, lessees, owner or owners of each of the lots within Princeville at Hanalei and to any purchaser, purchasers, lessee, lessees, owner or owners of lots hereinafter created within Princeville at Hanalei."
7. Encroachments as shown on survey prepared by Dennis Y. Yamasato, Registered Professional Land Surveyor, dated

December 7, 1989, and mentioned in Letter Agreement by and between Princeville Corporation and James A. Brennen, signed November 2, 1989 and November 13, 1989, as follows:

- (A) Asphalt Road, being the eastern approach driveway to the Pali Ke Kua Condominium Project, over and across the premises described herein.
 - (B) "The Beamreach Restaurant, Pali Ke Kua" wood sign on rock wall appurtenant to the said Pali Ke Kua Condominium Project located within the premises described herein.
 - (C) Water valve and lights appurtenant to the said Pali Ke Kua Condominium Project located within the premises described herein.
 - (D) Underground waterline and electrical line appurtenant to said Pali Ke Kua Condominium Project over and across the premises described herein.
 - (E) New concrete golf cart path appurtenant to Golf Course adjoining on the northerly boundary into a portion of the northeasterly boundary of the premises described herein.
- 8. Designation of Easement "A" for drainage facilities and for golf path, as shown on the map prepared by Dennis Esaki, Registered Professional Land Surveyor, approved August 22, 1991.
 - 9. A 3 foot wide future road widening reserve, as shown on the map prepared by Dennis Esaki, Registered Professional Land Surveyor, approved August 22, 1991.
 - 10. WAIVER AND RELEASE dated April 23, 1992, recorded as Document No. 92-071125, by Princeville Corporation.

This Waiver and Release states that the County of Kauai will not warrant or guarantee that water or water services by the County of Kauai will be provided in the future, and that Developer, its agents, successors in interest, heirs or assigns will not use the issuance of the building permit as a basis for any claim, action, suit or demand for the provision of water or water service by the County of Kauai.

-NOTE:-

1. Land Court Order No. 91202, filed September 20, 1988, sets forth the change of name of PRINCEVILLE DEVELOPMENT CORPORATION to PRINCEVILLE CORPORATION on May 6, 1988.

Exhibit G
Final Public Report
Emmalani Court
4920n

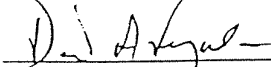
EXHIBIT H

**EMMALANI COURT
PHASE 1**

Estimate of Maintenance Fee Disbursements:

	Monthly times 12 month =	Yearly Total
Utilities and Services		
Air Conditioning		
Electricity		
<input checked="" type="checkbox"/> common elements only	\$336.00	\$4,032.00
<input type="checkbox"/> common elements & apartments		
Gas		
Refuse Collection	\$386.00	\$1,260.00
Telephone		
Water and Sewer	\$600.00	\$7,200.00
Maintenance, Repairs, and Supplies		
Building	\$150.00	\$1,800.00
Grounds	\$200.00	\$2,400.00
Exterminating	\$15.00	\$180.00
Management		
Management Fee	\$832.00	\$9,984.00
Payroll and Payroll Taxes	\$3,430.00	\$41,160.00
Office Expenses	\$102.00	\$1,224.00
Insurance	\$375.00	\$4,500.00
Reserves	\$400.00	\$4,800.00
Taxes and Government Assessments	\$10.00	\$120.00
Audit Fees	\$80.00	\$960.00
Vehicle Costs	\$50.00	\$600.00
Amenities	\$400.00	\$4,800.00
Princeville Community Dues	\$1,125.00	\$13,500.00
<hr/>		
TOTALS	\$8,491.00	\$98,520.00

I/We, Certified Management, as managing agents for the condominium, hereby certify that the above estimates of initial maintenance fee assessments and disbursements were prepared in accordance with generally accepted accounting principles.



DAVID FERGUSON, Chief Operating Officer

DATE: August 26, 1992

EXHIBIT I

EMMALANI COURT

Construction Warranties

Paragraph 18 of the Sales Contract and Deposit Receipt states: The execution, delivery and recordation of the Condominium Unit Deed shall constitute the assignment by Seller to Buyer of any and all warranties given Seller by the general contractor for the Project and by any subcontractors or materialmen, including but not limited to said contractor's guarantee of materials and workmanship against faulty or deficient materials and installation for a period of one (1) year after "substantial completion" of the Condominium Unit, as that term is defined in the construction contract for the Project, and the benefit of such warranties shall accrue to Buyer on closing without further instruments or documents. Seller agrees to cooperate with Buyer during the effective period of any such warranties in asserting any claims based on such warranties.

EXHIBIT J

EMMALANI COURT

Summary of Sales Contract

A specimen Reservation Agreement and Fee Simple Condominium Sales Contract has been submitted to the Real Estate Commission as part of the registration.

The Reservation provides in part that any prospective buyer desiring to reserve the right to be offered a sales contract shall tender a reservation deposit. The Reservation is non-binding and may be cancelled for any reason.

The specimen Fee Simple Condominium Sales Contract provides in part:

(a) That if the buyers who have agreed to obtain mortgage loans have not secured loan commitment therefor within forty-five (45) days after application for the same satisfactory to the Seller, the Seller may elect to terminate at Seller's option, the Sales Contract upon written notice to the buyer and, upon such termination all monies paid by the buyer be refunded, without interest, less the cost of any credit report, escrow cancellation fees, if any, and other costs actually incurred by the Seller or lending institution in processing such loan application; provided, however, that if the Seller ascertains that the buyer has failed to qualify for the mortgage loan due to the failure to use his best efforts to obtain such mortgage loan in good faith or to do or perform all acts necessary to obtain such loan, then such failure shall constitute a default by the buyer entitling Seller to retain all sums paid as liquidated damages;

(b) Prospective buyers should be aware that the Seller's mortgage loans (interim, renewals and extensions), if any, used for the construction of the Project shall be and remain at all times a superior lien on the Project, and buyers intentionally waive and subordinate the priority of lien under the Sales Contract or reservation agreement in favor of such mortgage loan and waives any claims which they may have against Seller for breach of the Sales Contract or reservation agreement in the event that said mortgage loans are foreclosed;

(c) That the Sales Contract constitutes only a reservation agreement until such time as the Seller provides buyer with one (1) copy of the Final Public Report and two (2) copies of the Receipt of Public Report(s) and Notice of Right to Cancel and buyer either waives his/her right to cancel or a period of thirty (30) days elapses from the date of buyer's receipt of the Final Public Report after which time the Sales Contract shall become binding. Prior to that time, either the Seller or the buyer has an unconditional right to cancel the contract by written notice to each other;

(d) Additionally, the Sales Contract provides that Seller makes no warranties, expressed or implied, with respect to the condominium units or any common elements or anything installed therein. Seller shall assign to buyers any and all warranties given Seller by the general contractor of the Project together with any guaranties against faulty material or workmanship. Buyer shall receive direct warranties given by dealers or manufacturers on appliances installed in the condominium units and common elements.

(e) All expenses in connection with the sale are to be payable by buyer, including, but not limited to, the cost of drafting the Condominium Unit Deed and the cost of the acknowledgments in respect thereof; the State of Hawaii conveyance tax (NOTE: In connection with the conveyance tax, the Seller and buyer will appoint Escrow Agent as their agent for the purpose of filing the affidavit in respect thereto); the escrow fee; the cost of obtaining financing or a financing commitment for any portion of the purchase price and all expenses incident thereto; the expense of credit reports; the drafting of mortgages, etc. (which costs shall be paid directly to buyer's mortgagee and shall in no event be reimbursed by Seller); acknowledgments of the buyer on all instruments; recording fees; and any costs incurred for title insurance.

(f) Buyer may also be required to prepay maintenance fees for a period of up to two (2) months, prepay insurance premiums for up to one (1) year, prepay real property taxes for the remainder of the tax year prorated as of the date that a certificate of occupancy for the condominium unit has been issued by the County of Kauai and pay a non-refundable start-up fee in an amount equal to two (2) months maintenance fees, which shall be a one-time non-transferable non-refundable assessment at sale, not as a common expense, shall be in addition to the normal monthly maintenance fees, shall be held, accounted for and expended as funds of the Association for the benefit of all of the

condominium unit owners by Seller and the managing agent, all of which shall be paid at pre-closing. Buyer further agrees that all maintenance, other taxes, assessments and other expenses shall also be prorated between Seller and buyer as of such proration date for real property taxes which shall be the date that a certificate of occupancy for the condominium unit has been issued by the County of Kauai. (NOTE: This amount, together with other amounts required, are in addition to and are not part of the total purchase price and shall be paid at pre-closing).

(g) The Seller has made no representations with respect to the possibility or probability of rental or other income from the condominium unit or other economical benefit to be derived from the rental of the condominium unit, including but not limited to, any representations to the effect that Seller or the managing agent of the project by a third party will provide services relating to the rental or sale of the condominium unit nor representations as to the possible advantages from the rental of the condominium unit under Federal and State tax laws. If buyer wishes to rent the condominium unit to third persons, buyer must make his own arrangements. Buyer further agrees and acknowledges that in the event that the offer to sell and the purchase of the condominium unit or the activities of buyer with respect to the condominium unit are determined to be or alleged to give rise to any violation of any Federal or State securities laws or regulations, Seller may obtain an injunction enjoining such acts of the buyer and Seller may, in addition, pursue any other remedies and buyer shall pay the Seller's costs and attorneys' fees in connection therewith. In the event that the buyer or anyone claiming by or through him alleges that the offer to sell or the purchase of the condominium unit gives rise to any violation of any Federal or State disclosure laws or regulations, the buyer covenants not to sue for any remedy other than to sue for refund of the purchase price and actual closing cost plus interest at ten percent (10%) per annum from the date of closing to the date of repayment. Buyer agrees to absorb any additional charges incurred with respect to the condominium unit as the reasonable use value of the condominium unit. The terms of this paragraph shall survive final closing of the sale and buyer's occupancy of the condominium unit.

Exhibit J
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EXHIBIT K

EMMALANI COURT

Summary of Escrow Agreement

An executed Escrow Agreement has been submitted to the Real Estate Commission as part of the registration. The Escrow Agreement dated March 6, 1992, identified Title Guaranty Escrow Services, Inc. as the escrow agent. The Escrow Agreement provides that the Escrow Agent shall refund to Buyer all of Buyer's funds, without interest, less a cancellation fee of not less than \$25.00, if Buyer shall request refund of his funds and any one of the following shall have occurred:

(a) Developer and Buyer have requested Escrow Agent in writing to return to Buyer the funds of Buyer then held under the Escrow Agreement by Escrow Agent; or

(b) Developer has notified Escrow Agent of Developer's exercise of the option to rescind the sales contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

(c) With respect to a Buyer whose funds were obtained prior to the issuance of the Final Report,

(i) upon receiving a true copy of the Final Report, Buyer elects to cancel the sales contract before the earlier of (1) the conveyance of the condominium unit to the Buyer, or (2) midnight of the thirtieth day following the date of delivery of the final public report to such Buyer, or

(ii) there is a material change in the Project which directly, substantially and adversely affects the use or value of (1) the Buyer's condominium unit or limited common elements appurtenant thereto, or (2) those amenities of the Project available for Buyer's use, except for any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of the Project made pursuant to the terms of the Declaration.

Escrow shall promptly and diligently close the transactions and perform such services as are necessary or

proper therefor including the recordation of all documents. If Buyer fails to make any payment on or before the due date or fails to perform in any matter which is being handled by Escrow, Escrow shall promptly notify Developer of any such failure on the part of Buyer.

By way of an addendum to the Escrow Agreement, dated November 18, 1992, the Escrow and Developer has agreed to amend the Escrow Agreement as to the following:

"Purchaser's funds shall not be disbursed to pay for construction costs, other expenses of the development of the Project, or to Developer until (1) the completion of construction of the unit to be conveyed, (2) the closing of the sale of said unit, and (3) until the mechanics' and materialmen's lien period for the construction of Emmalani Court - Phase I has expired. If any sale shall close prior to the expiration of the applicable mechanics's lien period, Developer shall (1) provide purchaser with the appropriate title insurance endorsement protecting the purchaser from all future mechanics' lien claimed against or attached to Emmalani Court - Phase I, and (2) provide the Real Estate Commission with a release by the general contractor of the contractor's lien rights."

Exhibit K
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Emmalani Court
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EXHIBIT L

EMMALANI COURT

DISCLOSURE ABSTRACT - PHASE I

Name of Project:	EMMALANI COURT - PHASE I Halelealea, Hanalei, County of Kauai, Island of Kauai.
Developer and Seller:	Princeville Corporation P.O. Box 3040 Princeville, Hawaii 96722
Managing Agent:	Certified Management P.O. Box 1325 Lihue, Hawaii, 96766
Annual Maintenance Fees and Monthly Estimated Costs for Each Condominium Unit:	See Exhibits "1" and "2" attached hereto and made a part hereof.
Description of Warranties:	Paragraph 18 of the Sales Contract and Deposit Receipt states: The execution, delivery and recordation of the Condominium Deed shall constitute the assignment by Seller to Buyer of any and all warranties given Seller by the general contractor for the Project and by any subcontractors or materialmen, including but not limited to said contractor's guarantee of materials and workmanship against faulty or deficient materials and installation for a period of one (1) year after "substantial completion" of the Condominium Unit, as that term is defined in the construction contract for the Project, and the benefit of such warranties shall accrue to Buyer on closing without further instruments or documents. Seller agrees to cooperate with Buyer during the effective period of any such warranties in asserting any

claims based on such warranties. Buyer shall also have the direct benefit of any manufacturer's or dealer's warranties covering the appliances in the Condominium Unit. Buyer acknowledges that Seller has made no other warranties, expressed or implied, with respect to the Property or any common element or anything installed therein. At Seller's option, an inspection program may be instituted and, if so, Buyer agrees to inspect Buyer's Condominium Unit on a date and at a time to be specified by Seller and upon completion of such inspection, to sign an inspection sheet to be furnished by Seller which shall list all defects or damages to the property, if any. Buyer agrees to accept possession of the property despite the existence of such defects or damages to the Property regardless of extent, including but not limited to any defects in appliances and fixtures, which may be listed in said inspection sheet, but which do not render the Property uninhabitable. Seller will cooperate with and assist Buyer in having legitimate listed defects or damages corrected or repaired within a reasonable time thereafter by the general contractor or other warrantor. This guarantee shall survive the closing. Buyer agrees to indemnify Seller for any damages or losses, including interest and attorney's fees, resulting from any refusal to make such inspection, to sign such inspection sheet or to accept possession of the Property upon request by Seller and if Buyer shall make any such refusal Buyer shall be deemed to be in default under this Agreement and Seller at its option shall be entitled to cancel this Agreement and keep all payments made hereunder as liquidated damages. Buyer hereby waives all rights of inspection and rights to Seller's cooperation and

assistance with the general contractor or other warrantors if Buyer fails to inspect Buyer's Condominium Unit on the date and time specified by Seller and Buyer acknowledges that such waiver shall not in any way affect Buyer's obligations under the Sales Contract including without limitation the payment of money in accordance with the schedule set forth in the Sales Contract and performance of Buyer's closing obligations.

Use:

The Project will contain twenty-two (22) condominium units which shall be used only for residential purposes. As disclosed on Page 2 of the Final Public Report and Paragraph 20 of the Declaration of Condominium Property Regime (the "Declaration"), the number of residential condominium units may increase to forty-two (42) and the percentage common interest appurtenant to each unit shall be as set forth in Exhibit "C" of the Declaration.

Reservation of
Right:

Seller, in its sole and absolute discretion, shall have the right to amend this Project, which is the first phase, by way of merger, as hereinafter provided, at any time up to, but not later than June 1, 2002, by the construction and addition to the Project of two (2) additional residential buildings containing twenty (20) additional condominium units and possibly one (1) building, identified as the "Manager's Building", containing one (1) unit as a multi-function room and office and one (1) unit as a resident manager's unit, together with such supporting and servicing common elements which Seller, in its sole and absolute discretion, determines are beneficial to the Project, on up to an additional 73,055 square feet of land adjoining the first phase, which addition may be made in one (1)

additional phase to be designated as "Emmalani Court - Phase 2". For purposes of this disclosure and Paragraphs 20 and 21 of the Declaration, the first phase of the Project shall be referred to as "Phase 1" and the second phase shall be referred to as "Phase 2".

Merger shall take effect with respect to the proposed Phase 2 upon the happening of all of the conditions set forth in Paragraph 20 of the Declaration. Paragraph 20 of the Declaration sets forth the rights, powers and privileges of Seller and the effect of merger of additional phases. The percentage of common interest of each condominium unit upon merger of Phase 1 and Phase 2 shall be as provided in Exhibit "C" of the Declaration. The condominium units in each of the merged phases shall have the right to use the common elements in each phase to the same extent and subject to the same limitations as are imposed upon a condominium unit in each phase just as though the merged phases had been developed as one phase.

Buyer shall have the full opportunity to read, review, examine and approve of Paragraph 20 of the Declaration prior to the Sales Contract becoming a binding agreement.

Option to Subdivide
and Remove Land
for Proposed
Phase 2:

Seller, in its sole and absolute discretion, shall have the right to subdivide and remove the land for Phase 2 from the Project and the condominium property regime for the Project. If Seller exercises its right to subdivide and remove the Phase 2 land, Phase 1 shall constitute the entire Project and the percentage common interest shall be as provided in Exhibit "B" of the Declaration. Seller shall have perpetual, non-exclusive easements for ingress to, egress from,

utility services for and support, maintenance, and repair of any improvement constructed upon the Phase 2 land and non-exclusive easements for the development and construction of any improvement upon the Phase 2 land.

Paragraph 21 of the Declaration is intended to give Seller, in its sole and absolute discretion, the right to subdivide and remove the Phase 2 land from the condominium property regime established for the Project. The subdivision and removal of Phase 2 land, will create separate legal parcels. The Project will be contained on a parcel separate and apart from the Phase 2 land. Seller shall have the sole and legal right to develop Phase 2 land as a separate, legal parcel as permitted by law and such development and improvement of such land may not constitute a portion of the Project.

Paragraph 21 of the Declaration discloses the rights, powers and privileges of Seller to subdivide and remove the Phase 2 land from the Project and the condominium property regime established for the Project and the conditions which must be satisfied in order to effectuate the subdivision and removal of the Phase 2 land.

Buyer shall have the full opportunity to read, review, examine and approve of Paragraph 21 of the Declaration prior to the Sales Contract becoming a binding agreement.

The Estimate of Maintenance Fee Disbursements and Estimated Maintenance Fee Per Unit Type were prepared as of October 2, 1992 and are hereby certified to have been based on generally accepted accounting principles.

PRINCEVILLE CORPORATION

By

Its

President

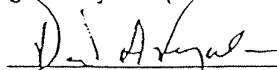
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EMMALANI COURT PHASE 1

Estimate of Maintenance Fee Disbursements:

	Monthly times 12 month =	Yearly Total
Utilities and Services		
Air Conditioning		
Electricity		
<input checked="" type="checkbox"/> common elements only	\$336.00	\$4,032.00
<input type="checkbox"/> common elements & apartments		
Gas		
Refuse Collection	\$386.00	\$1,260.00
Telephone		
Water and Sower	\$600.00	\$7,200.00
Maintenance, Repairs, and Supplies		
Building	\$150.00	\$1,800.00
Grounds	\$200.00	\$2,400.00
Exterminating	\$15.00	\$180.00
Management		
Management Fee	\$832.00	\$9,984.00
Payroll and Payroll Taxes	\$3,430.00	\$41,160.00
Office Expenses	\$102.00	\$1,224.00
Insurance	\$375.00	\$4,500.00
Reserves	\$400.00	\$4,800.00
Taxes and Government Assessments	\$10.00	\$120.00
Audit Fees	\$80.00	\$960.00
Vehicle Costs	\$50.00	\$600.00
Amenities	\$400.00	\$4,800.00
Princeville Community Dues	\$1,125.00	\$13,500.00
TOTALS	\$8,491.00	\$98,520.00

I/We, Certified Management, as managing agents for the condominium, hereby certify that the above estimates of initial maintenance fee assessments and disbursements were prepared in accordance with generally accepted accounting principles.



DAVID FERGUSON, Chief Operating Officer

DATE: August 26, 1992

EXHIBIT 1

EXHIBIT B

ESTIMATE OF INITIAL MAINTENANCE FEES
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees;

APARTMENT	MONTHLY	YEARLY TOTAL
A	\$291.05	\$3,502.20
B	\$348.08	\$4,176.96
C	\$425.99	\$5,111.88
D	\$565.50	\$6,786.00

[] Revised on August 26, 1992

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

**THE ABOVE ESTIMATED MAINTENANCE FEES BY UNIT TYPE ARE FOR PHASE 1 UNITS ONLY. An owner, including the developer, becomes obligated to pay his share of the common expenses at the time the certificate of occupancy relating to his unit is issued by the appropriate county agency. H.R.S. §514A-15(b). The estimated maintenance fees were calculated based upon certificates of occupancy for Phase 1 and 100% of the percentage common interest distributed amongst 22 units. The percentage common interest used to calculate the estimated maintenance fees for Phase 1 shall decrease as additional units are constructed and certificates of occupancy are obtained because 100% of the common interest shall be distributed amongst a greater number of units. The decrease in percentage common interest will not necessarily result in a decrease in the amount of common expenses an owner will be required to pay. The estimated maintenance fees were calculated based upon the 1992 value of \$1.00.